



Covered Electronic Waste Recycling Program

# CIVIL LIABILITY INITIATIVE

OVERVIEW OF THE DEVELOPING CIVIL LIABILITY FACET TO  
THE COVERED ELECTRONIC WASTE (CEW) PROGRAM

Ana-Maria Stoian-Chu, Supervisor  
CalRecycle E-waste Program

# CIVIL LIABILITY INITIATIVE

Statutory Authority: PRC, 42474(d)

**“Civil penalties in an amount of up to twenty-five thousand dollars (\$25,000) per violation may be administratively imposed by the Department of Resources Recycling and Recovery against a person, including an authorized collector or covered electronic waste recycler, that makes a false statement or representation in any document filed, submitted, maintained, or used for purposes of compliance”** with the Electronic Waste Recycling Act and associated regulations, including those related to the CEW program.

# CIVIL LIABILITY INITIATIVE

## Context:

- False documentation continues to be submitted to demonstrate compliance with the CEW program rules and regulations.
- The use of false documentation undermines the integrity of the CEW program.
- Proposed regulations establish a framework that gives CalRecycle the ability to exercise this authority and impose civil liabilities.

# CIVIL LIABILITY INITIATIVE

## Objective:

- Deterrent to discourage non-complaint behavior
- Ensure compliance with the CEW program rules and regulations
- Protect the integrity of the CEW program
- Safeguard a level playing field and protect fair business practices

# CIVIL LIABILITY INITIATIVE

## Examples of Potential False Statements(I):

- Collection logs: incorrect names and addresses, non-existent sources, misstated amounts
- Transfer receipt: misstated amounts, inactive collector represented as active
- Proof of Designation: altered validity dates or other information, misuse of Designation

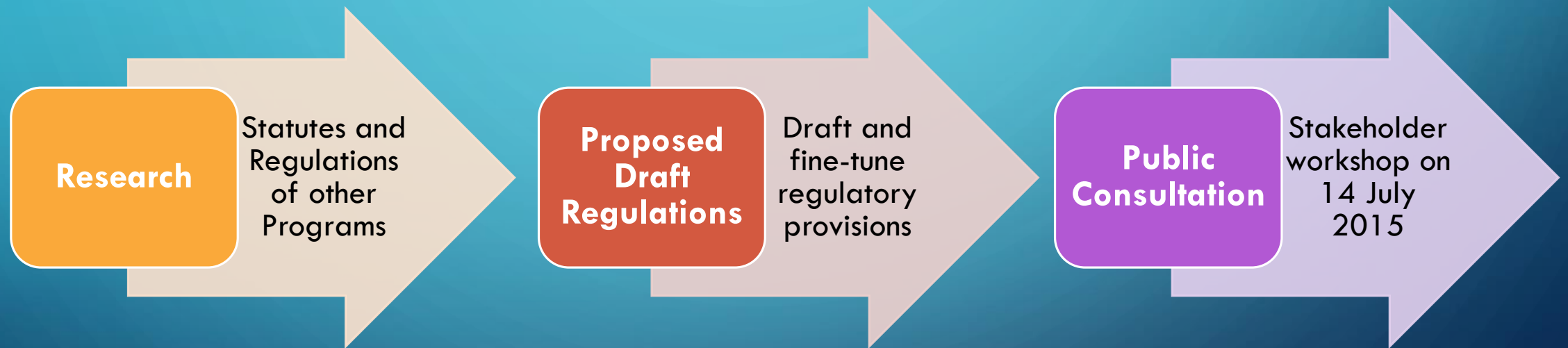
# CIVIL LIABILITY INITIATIVE

## Examples of Potential False Statements(II):

- Cancellation records: false cancellation dates and/or weights, non-CEW material claimed as CEW material, non-CRT material portrayed as CRT material
- Shipment records: inconsistent information
- End-use destination receipts/documentation: false statements regarding CRT glass ultimate disposition

# CIVIL LIABILITY INITIATIVE

## Implementing civil liabilities:





# CIVIL LIABILITY INITIATIVE

## Aspects researched:





# CIVIL LIABILITY INITIATIVE

## Who can be held liable?:

- “Person” defined in a broad way: individual or entity
- Focused on **approved collectors** or **approved recyclers** BUT
- Penalties could also be imposed against handlers, transporters, end-use destinations or manufacturers.
- Joint and several liability

# CIVIL LIABILITY INITIATIVE

## Penalty determination:

**Minor:** first-time or multiple unintentional violations  
(\$500-\$4,000)

**Moderate:** subsequent or multiple violations after notice  
(\$4,000-\$15,000)

**Major:** pattern and practice of non-compliance or first-time intentional  
(\$15,000-\$25,000)

# CIVIL LIABILITY INITIATIVE

## Process (I):

- Two steps: **notice of violation** and **accusation**
- **Notice of violation (NOV):**
  - Issued prior to the imposition of penalties
  - Warning mechanism
  - Opportunity to take corrective actions and get back into compliance
  - Process may stop with a NOV

# CIVIL LIABILITY INITIATIVE

## Process (II):

- **Accusation:**

- Seeking an administrative penalty or penalties
- Issued following the issuance of a NOV for repeated violations  
OR
- Issued directly if warranted by circumstances (no prior NOV required)

# CIVIL LIABILITY INITIATIVE

## Process (III):

- **Administrative Hearing:**

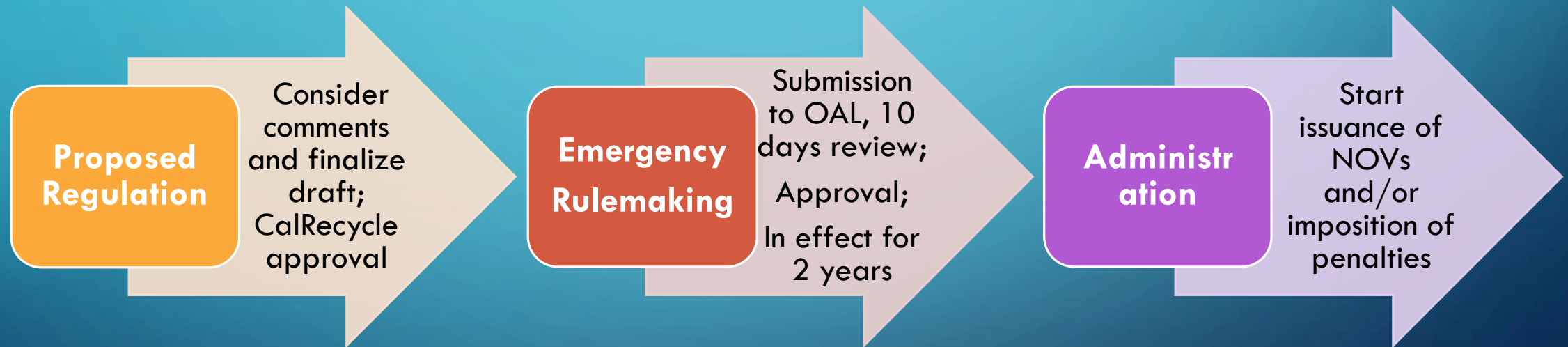
- Notice of Defense must be filed within 15 days
- Hearing held before a hearing officer
- Final decision issued within 30 days

- **Settlement:**

- Anytime before a decision is issued

# CIVIL LIABILITY INITIATIVE

## Next steps:



# QUESTIONS? COMMENTS?

- Ana-Maria Stoian-Chu (916) 341-6368  
[Ana-Maria.Stoian-Chu@calrecycle.ca.gov](mailto:Ana-Maria.Stoian-Chu@calrecycle.ca.gov)